

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

December 17, 1997

**IN RE: UNIVERSAL SERVICE
GENERIC CONTESTED CASE**

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DOCKET NO. 97-00888

**ORDER DESIGNATING ELIGIBLE TELECOMMUNICATIONS CARRIERS
PURSUANT TO 47 U.S.C. § 214(e), THE TELECOMMUNICATIONS ACT OF 1996,
SECTION 254(C) AND FCC ORDER 97-157.**

This matter came before the Tennessee Regulatory Authority ("Authority") upon its own motion at a regularly scheduled conference held on December 2, 1997, pursuant to 47 U.S.C. § 214(e), the *Telecommunications Act of 1996* ("Telco Act") and *Federal Communications Commission (FCC) Order 97-157*. The purpose of this Order is to designate Eligible Telecommunications Carriers.

I. Background for the Order

Eligible Telecommunications Carriers ("ETCs"), certified under 47 U.S.C. § 214(e)(1), will be qualified to receive Federal Universal Service support under Section 254(c) of the *Telco Act* if, throughout their designated service area, they offer services that are supported by a Federal Universal Service support mechanism under Section 254(c). To receive interstate support the carrier must use either its own facilities or a combination of its own facilities and the resale of another carrier's services (including the services offered by another Eligible Telecommunications Carrier). The carrier seeking to receive Universal Service support is also required to make available Lifeline Services and must advertise the availability of the services they provide and the charges for these services. The advertisement must be made through a media of general distribution.

Each common carrier seeking designation as an Eligible Telecommunications Carrier (ETC) under this Order has filed a sworn and notarized Request for Designation in this docket. This Request for Designation indicated that the carrier will provide the services and functions required by the FCC in their certificated areas for purposes of Federal Universal Support. Each request for Designation stated compliance with the requirements set forth in 47 CFR § 54.201 through 54.207 and was signed by a senior official of the carrier.

II. Interim Approval of Service Areas.

The Authority approves on an interim basis the service areas designated by the incumbent local exchange companies (ILECs) in their petitions. However, we are cognizant that the FCC has asked the states not to designate large service areas for ETCs, for fear that the service areas would not be competitively neutral. Testimony by interested Parties on the designation of service areas for ETCs was heard by the Authority during Phase 1 of the Authority's Universal Service proceeding (non-cost issues). Once the Authority reaches a decision on the designation of service areas for ETCs this information will be forwarded to the FCC and Universal Service Administrative Company (USAC) for the purpose of redefining the service areas of designated non-rural ETCs.

III. Carriers Eligible for Universal Service Support

The carriers listed in this section have requested designation by this Authority as Eligible Telecommunications Carriers (ETCs). The carriers are: Ardmore Telephone Company; BellSouth Telecommunications, Inc.; Century Telephone of Adamsville, Inc.; Century Telephone of Claiborne, Inc.; Century Telephone of Ooltewah Collegedale, Inc.; Citizens Telecommunications Company of Tennessee, LLC; Citizens Telecommunications Company of the Volunteer State, LLC; Concord Telephone Exchange, Inc.; Crockett Telephone Company; Humphreys County Telephone Company; Loretto Telephone Company; Millington Telephone Company; People's Telephone Company; Tellico Telephone Company; Tennessee Telephone Company; United Telephone Company; United Telephone-Southeast, Inc.; West

Tennessee Telephone; Ben Lomand Rural Telephone Cooperative; Blcdsoc Telephone Cooperative, Inc.; DeKalb Telephone Cooperative, Inc.; Highland Telephone Cooperative, Inc.; North Central Telephone Cooperative, Inc.; Skyline Telephone Membership Corporation; Twin Lakes Telephone Cooperative Corporation; Yorkville Telephone Cooperative; and West Kentucky Rural Telephone Cooperative, Inc.

IV. Petitions for Additional Time to Complete Network Upgrades.

In addition to the procedures for certifying potential recipients of Universal Service support as Eligible Telecommunications Carriers, the FCC made provisions for a telecommunications carrier that would be eligible to receive Universal Service support under 47 CFR § 54.201 to receive additional time to upgrade its network systems under exceptional circumstances by petitioning the Authority under FCC Rule § 54.101(9)(c). The ILECs have petitioned for an extension of time to upgrade their network systems to accommodate the toll limitation requirement of the FCC Order as defined in 47 CFR § 54.400(a)(3). The Petitioners stated the exceptional circumstances that the technology to provide the FCC requirement of toll limitation service was not readily available and that the FCC may reconsider this requirement. The Authority grants to the designated Eligible Telecommunications Carriers herein, an extension of time to upgrade their network systems to accommodate the toll limitation requirement of the FCC Order as defined in 47 CFR § 54.400(a)(3) until the FCC reconsiders the matter or until such time as technology to provide the service becomes readily available.*

IT IS THEREFORE ORDERED THAT:

1. On an interim basis, the Authority approves the service areas designated in the petitions from the incumbent local exchange companies.
2. The Authority grants to the designated eligible telecommunications carriers (ETCs) additional time as stated herein to provide toll limitation service.

* This grant of additional time is only for that period of time that the Authority, in its continuing monitoring of technology, finds that exceptional circumstances exist, and does not extend beyond the time the Authority deems necessary for the ETCs to complete network upgrades.

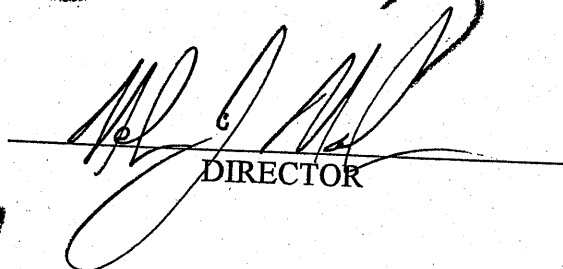
3. The following carriers are designated by this Authority as Eligible Telecommunications Carriers: Ardmore Telephone Company; BellSouth Telecommunications, Inc.; Century Telephone of Adamsville, Inc.; Century Telephone of Claiborne, Inc.; Century Telephone of Ooltewah Collegedale, Inc.; Citizens Telecommunications Company of Tennessee, LLC; Citizens Telecommunications Company of the Volunteer State, LLC; Concord Telephone Exchange, Inc.; Crockett Telephone Company; Humphreys County Telephone Company; Loretto Telephone Company; Millington Telephone Company; People's Telephone Company; Tellico Telephone Company; Tennessee Telephone Company; United Telephone Company; United Telephone-Southeast, Inc.; West Tennessee Telephone; Ben Lomand Rural Telephone Cooperative; Bledsoe Telephone Cooperative, Inc.; DeKalb Telephone Cooperative, Inc.; Highland Telephone Cooperative, Inc.; North Central Telephone Cooperative, Inc.; Skyline Telephone Membership Corporation; Twin Lakes Telephone Cooperative Corporation; Yorkville Telephone Cooperative; and West Kentucky Rural Telephone Cooperative, Inc.

5. Any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.

6. Any party aggrieved with the Authority's decision in this matter has the right of judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.


CHAIRMAN


DIRECTOR


DIRECTOR

ATTEST:


EXECUTIVE SECRETARY